

# GOVERNMENT OF ANDHRA PRADESH ABSTRACT

RWS—Projects—Modification orders in present tender system—Accorded—Orders—Issued.

G.O. Ms. No. 217

Dated:09-06-2008  
READ THE FOLLOWING--

1. G.O. Ms. No.54, PR & RD (RWS.I) Department, Dt.16.02.2008
2. From the Engineer-in-Chief, (RWS) Hyderabad Lr. No.AEE3/ DEE IV/RWS/Tenders/08-1, Dt.30-05-2008

- 3 -

## ORDER—

The Engineer-in-Chief (RWS), Hyderabad in his letter second read above has stated that during the review meeting conducted by the Ho'nble Chief Minister in January, 2008 the issue of no response to the tenders inspite of repeated calls has come up for discussion. It was informed that 87 works sanctioned during the last financial year could not be grounded, due to non response to the tenders invited during the last one year and the work load on hand is Rs.3,000.00 crores.

2. In view of the above and in pursuance of the discussion in the Hon'ble Chief Minister's meeting, modified guidelines were issued in G.O. Ms. No.54, PR & RD (RWS.I) Department dt.16.02.2008. As per the guidelines, tenders are to be invited in two parts in Part-A and Part-B. Part-A is consisting of pipeline work (material component) on which maximum tender premium to be quoted should not be more than 5% over the estimated contract value and Part-B comprises of all other civil works involving labour component like construction of treatment plants, sumps, and over head reservoirs etc., with out any ceiling on tender premium.

3. The Engineer-in-Chief (RWS), Hyderabad has further stated that in spite of relaxation of tenders conditions and tender premium, the response from contracting agencies is very poor. Out of 87 works, only 29 works were entrusted that too after 2<sup>nd</sup> call. In some districts like Guntur, Prakasham etc., there is no response even in 3<sup>rd</sup> / 4<sup>th</sup> call. He explain the reasons for poor response from the individual agencies and also after bifurcation of P.R. Engineering Department, most of the Engineers have opted for P.R. Dept.,

4. The Engineer-in-Chief has identified that the following are the reasons for poor response from the individual agencies.

1. Due to lack of pre qualifications with the available agencies in RWSS sector
2. Due to lack of financial bid capacities with the individual agencies.
3. Due to lack of sufficient man power with the agencies and also with department.
4. Also there are only 15 to 17 agencies available, who are regularly take up the RWS Department.

::2::

5. The E-in-C (RWS) has requested the Govt. to accord permission on the following to attract the bigger companies, whch can set higher bid values as compared to individual agencies, moreover clubbing of similar works in a district will bring about higher bid values.

1. Allow joint venture for one item from 2<sup>nd</sup> call onwards to giving facility to participation of individual agencies.
2. Permission for clubbing of all non-response tenders as a single package after 3<sup>rd</sup> call.
3. The clubbing of works shall be similar nature and with in a district.
4. In case no response to 3<sup>rd</sup> call, permit for floating tenders under EPC system, duly allowing physical joint ventures for 3 items.
5. These guidelines /permissions shall be on pilot basis for the year 2008-09.

6. In view of the lukewarm response to the tender calls even after issuing modified guidelines vide G.O. Ms. No.54, PR & RD (RWS.I) Dept., Dt.16.02.2008 allowing premium tender percentages and after careful examination of the proposals of the Engineer-in-Chief (RWS) by the Government permission is hereby accorded as follows:

1. Allow joint venture for one item even if there is no response to the tenders called for two times as per modified guidelines issued vide G.O.Ms. No. 54 PR & RD (RWS.I) Dept., Dt.16.02.2008 This will attract those individual agencies also which are having short fall in physical qualifications for a single item also.
2. Permission for clubbing of works as a single package after tenders are called three times as per modified G.O. Ms. No. 54, PR & RD (RWS.I) Dept., Dt.16.02.2008
3. The clubbing of works shall be of similar nature and with in a district.
4. These guidelines /permissions shall be on pilot basis for the year 2008-09.

7. The Engineer-in-Chief (RWS) is requested to take necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY MISRA,  
PRINCIPAL SECRETARY TO GOVERNMENT

To  
The Engineer-in-Chief (RWS),  
HYDERABAD.

//FORWARDED BY ORDER//

SECTION OFFICER